



**House Select Committee on High Speed
Internet in Rural Area and Urban Areas**

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STATE ENVIRONMENT FOR BROADBAND

- Why is it hard to get broadband to the last mile?
- NC IS RURAL -----2ND OF 50 STATES

NORTH CAROLINA -2ND IN RURAL POPULATION

AFTER TEXAS

TEXAS - OVER 30000000

NORTH CAROLINA - OVER 30000000

[illegible]

\$



Good Sign: Large number of providers

- 2010 STATISTICAL ABSTRACT
- 22 ILEC Incumbent Local Exchange CARRIERS
- 77 NON-ILEC Non Incumbent LEC

Source: FCC Form 477 Broadband Data Filers as of June 30, 2009



MONEY TO SUPPORT DEPLOYMENT

- FEDERAL STIMULUS AWARDED
- \$ 2 MILLION MAPPING/PLANNING
- \$ 26 MILLION MIDDLE MILE
- 92 + Applications

PLANNING TO SUBMIT IN BTOP 2- DUE MARCH 15

\$80 TO \$100 Million MCNC 2nd Middle Mile

Counties---few have the match to go forward

RUS-Department of Agriculture-file for last mile BIP

NTIA File for Middle Mile, Public Computer Centers and Sustainable Adoption



Google Trials

- Everyone wants to try for funds – ultra fast broadband based on fiber
- If you'd like a Google fiber optic trial in your community, complete this section of the request for information. RFI due March 26
<http://www.google.com/appserve/fiberrfi/public/options>
- Selection: one or two communities in the US



NATIONAL BROADBAND PLAN

- DUE MARCH 15 Draft being circulated internally to FCC
- Goal 100 Squared Initiative
- 100 Million Americans with 100 megabits Access – Aren't there 300+ million of us?
- Unleash American ingenuity to ensure that businesses large and small, are created
- Lead the world with ultra-high-speed broadband testbed so American can host the boldest innovations imagined
- Increase access to spectrum for mobile access



REDO: UNIVERSAL SERVICE FUND

- DRAFT PLAN GOALS:
- BROADBAND (LIFELINE ONLINE)
- E-RATE ALLOW GREATER USABILITY
- RATE OF ADOPTION SET AT 90% +
@>2MEGABITS/SEC
- IMPROVE ACCESS AND ADOPTION FOR
COMPETITIVESS WITH THE WORLD
- MOBILE ACCESS –GREAT ACCESS FOR LOWER
COST
- MODERNIZE RURAL HEALTH; CREATE
INTEROPERABLE PUBLIC SAFETY NETWORK



ARRA SPEEDS

- ARRA ACT SPEEDS 768 kbps or higher
- upload speed above 200 kbps
- SLOWDOWN IN FIXED INTERNET ACCESS TO CONNECTIONS : Some expect to accelerate wireless
- 2008 10% increase TO 77 MILLION HOMES/ BUSINESSES
- 2007 17% increase
- REST OF OUR COMPETITIVE WORLD ALREADY ABOVE 20 TO 50 MEGABYTES \$29 FOR 50 MEGS FRANCE, SINGAPORE, KOREA, JAPAN, CHINA PARTIAL



NTIA DATA

- NTIA 2010 64% OF HOUSEHOLDS ACCESS TO INTERNET
- 2007 51%
- 2009 Rural 54% households Urban 66 %
- 2007 Rural 39% households Urban 54%
- 30% of all consumers do not use Internet anywhere
- Source: Broadband Breakfast 2/16/2010
- NC Caswell, Cherokee, Duplin, Gates, Graham, Greene, Jones, Tyrrell, Warren
- NC 82% say they have access somewhere— to 70% average today (Meets national average)



SUPPORT FOR STATE BB AUTHORITY

E-NC Authority sunset provision should be removed-

Funding from budget – Increased from 495,000 to 900,000 –increase of 495,000

Sunset provision causes problems with seeking funds from other sources—both federal, private foundations and corporate



MONEY LEVERAGED

- BTTs: Since 2001 seven sites have created a total of 1845 jobs @ 30,000=55 Million IN 2009
- Work on broadband –
 - For every \$1 invested in broadband \$3 dollars returned to the economy (without multiplier effect)*
 - With multiplier effect some place a \$10.00 return to \$1.00 invested)**
 - Need nonrecurring funds for assistance to private sector companies, nonprofit companies and local governments---- When applying for funds match counts....in decisions of grant making entities
 - Funds we received from state appropriations for incentives have taken counties from below 70% to almost 70% or higher-----
 - * Source: US Bureau of Economic Analysis **Source: US ARRA Documents

State Incentives Funding

- e-NC Connectivity Incentive Awards – 2008-2009
- From NCGA funding
- \$2.155m Awarded
- To deploy the 10 Least-Connected Counties:

County	% of Households with High-Speed Internet Available (prior to grant)	% of Households with High-Speed Internet Available (after the grant)
Caswell	56.76 %	63
Cherokee	51.29	71
Duplin	54.89	85
Gates	47.96	71
Graham	52.43	70
Greene	49.10	77
Jones	45.07	71
Pamlico	54.69	80
Tyrrell	55.64	83
Warren	46.89	86

REACH OUT FOR PUSHING BROADBAND: AVAILABILITY AND ADOPTION

- INCENTIVES - \$\$\$ MONEY FOR DEPLOYMENT
- LIFELINE ONLINE PILOT FOR ECONOMICALLY CHALLENGED HOUSEHOLDS
- ACTION STUDIES:
 - Electric and relevant other utility easements e-NC-- and Electric companies and Telecom companies (E&T co-ops also included)
 - Highway right of ways –access to buried fiber-study proposed with e-NC and DOT
 - Tower assessment—development of rules of access to state owned towers (State Forest Service, Weather AND Highway Patrol, Public Safety towers)
 - Public-Private Partnership-nonprofit partnerships body of law review and recommendations e-NC and Attorney General and industry (elec and tele) attorneys
 - E-NC Authority sunset provision removed/funding from budget sources



To Reach Us



*Connecting
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to a Better Future*

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